

SENIOR INTERDEPARTMENTAL GROUP-INTERNATIONAL ECONOMIC POLICY

February 28, 1983
4:30 p.m.
Roosevelt Room

Not referred to DOC. Waiver applies.

Attendees:

Treasury

Secretary Regan
Marc Leland

Energy

George Bradley
John Brodman

Office of Vice President

Admiral Daniel Murphy

CEA

Martin Feldstein
Geoffrey Carliner

State

Secretary Shultz
W. Allen Wallis

OMB

Alton Keel

Defense

Richard Perle
Steve Bryen

OPD

Edwin L. Harper

Agriculture

Secretary Block

Justice

Jonathan Rose
Michael Shepherd
Richard Cinquerana

Commerce

Secretary Baldrige
Lionel Olmer
Michael Zacharia

NSC

Norman Bailey, Executive Secretary
Henry Nau
William Martin

CIA

Henry Rowen
Maurice Ernst

NSSD-9 on U.S. and International Energy Security

The Chairman asked Henry Nau of the National Security Council staff to introduce the results of NSSD-9 -- an inter-agency study on energy security and preparedness. Mr. Nau reviewed the four major parts of the report -- projections of world energy supply and demand, energy disruption scenarios, economic problems resulting from disruptions, and military effects. Based on this analysis, several policy conclusions were drawn. First, it is essential to strengthen the market place during non-crisis periods. Secondly, the market should be the first and foremost defense during times of disruptions, although it may ultimately have to be supplemented through supply enhancement, use of SPR and possible recycling of revenues. Third, an interagency process for discussing these issues has been established which can be used to respond flexibly to supply disruption situations. The SIG-IEP approved the report.

NSC review completed.

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Declassify on: OADR

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Export Administration Act

The Chairman then asked Under Secretary Lionel Olmer to introduce the discussion of the Export Administration Act. Mr. Olmer noted that the Under Secretaries' group had reduced the number of items for SIG-IEP consideration from forty-three to seven. Due to time limitations, it was not possible to have a full discussion on the critical items. The Chairman asked that comments be given to Norman Bailey within two days, after which Commerce would be responsible for preparing a summary of conclusions. OMB noted that it is important that testimony on this issue be carefully coordinated. The Chairman noted the sensitive nature of these deliberations and urged members not to disclose prematurely the Administration's position to the press or business community. Mr. Olmer agreed to distribute for the group decisions that had already been taken by the Under Secretaries group as well as a listing of the issues that still remain to be dealt with.

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